

FISCAL NOTE

HB 1099 - SB 1685

April 7, 2003

SUMMARY OF BILL: Requires individual and group health insurance policies, self-insured group arrangements, and managed health care policies to provide coverage for all colorectal cancer exams and lab tests specified in current American Cancer Society (ACS) guidelines for colorectal cancer screening of asymptomatic individuals beginning July 1, 2003.

An individual would not be required to pay an additional deductible or coinsurance for testing that is greater than an annual deductible or coinsurance established for similar benefits. Reimbursement to a health care provider for colorectal cancer screenings provided under this bill must equal reimbursement under Medicare. The bill does not apply to the TennCare program.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - Increase Expenditures/Health Industry* for additional tests that may not be covered by all plans. However, early detection may result in savings to such plans over the long term.

Estimate assumes:

- TennCare, the state employee's health insurance plan and most employee health insurance plans for local government employees currently comply with the guidelines implemented by the bill.
- some private health insurance policies do not currently cover regular non-symptomatic colorectal screening for enrollees using the scheduled guidelines developed by the American Cancer Society. Some health providers and insurers consider ACS guidelines standard practice.
- requiring reimbursement at Medicare levels may increase cost for some plans.

*The impact on the health industry is included as required by Chapter 244 of the Public Acts of 1989.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director